

CRESTLAND COOPERATIVE CO.
CRESTON, IA
SOYBEAN PRODUCTION AGREEMENT

This agreement, made and entered into this _____ day of _____, 19____, by and between Crestland Cooperative Company, Creston, IA, referred to as the Contractor and _____ of _____ referred to as the Grower.

The Contractor will furnish _____ 50 lb. units of _____ seed beans at normal Crestland prices to be planted on _____ acres of the Grower for the production of soybean grain.

The grower agrees to follow agronomic practices which will maximize production, including but not limited to timely planting and harvesting dates and good pest control. The grower will provide the contractor with field maps and storage bin locations and grants permission to the Contractor or his designee to enter into and inspect fields and storage facilities at reasonable times. The grower agrees to follow practices for the production of certified seed in accordance with procedures outlined in the Iowa Crop Improvement Association booklet, Certification Requirements. The contractor will pay for all certification expenses.

PLANTING:

Grower will exercise care to assure purity of final production by thoroughly cleaning planting and seed handling equipment.

HARVEST:

Harvesting will be performed by the Grower with a thoroughly cleaned combine as soon as possible after the beans reach 14% moisture. Grower will also clean all wagons, trucks, elevators, augers, and other equipment used in harvest to prevent varietal mixture and contamination from other crops. Grower shall collect a representative sample from each load of soybeans as it is placed in storage in containers provided by the contractor and deliver said samples to the Contractor within 5 days of harvest.

STORAGE:

Grower will store entire production in bins where there is no possibility of contamination with other grain until the Contractor calls for the grain. Storage bins must be accessible in all weather conditions. Storage facilities with aeration are much preferred as to those without.

DELIVERY:

Seed stored on the Grower's farm and used by the Contractor will be hauled by the Contractor at no charge to the grower. The grower may elect to haul the seed with the same rate to apply that the Contractor pays a trucker to haul them. The grower must furnish personnel to help load the seed beans and power to operate the auger or vac used to fill the truck.

CLAIMS AND LOSSES:

Grower guarantees the soybeans to be free from all claims and encumbrances. Grower is responsible for any loss until the time of pick up by the Contractor and shall maintain quality throughout the storage period.

QUALITY:

All seed must meet ICIA Quality Standards and the Contractor's standards as set forth here:

- ◆ Free of disease (e.g., pod and/or stem blight, white mold)
- ◆ Free of other crop (e.g., corn)
- ◆ Free of cocklebur and black night shade
- ◆ Minimum of 89% germination and 10.0% moisture
- ◆ No varietal mixture
- ◆ Free of odor and discoloration due to weed stain or dust and mud adhering to the beans
- ◆ Contractor has the right to reject the seed if the clean-out or shrink exceed 12%.
- ◆ The contractor will determine the quality analysis. Whenever any part of the seed cannot be accepted, the Contractor will notify the Grower of rejection both personally and in writing.
- ◆ The seed which is not accepted will become the property of the Grower to be marketed by the Grower other than for seed. The Contractor will be neither obligated to pay any transportation costs nor will he have any further obligation toward the Grower.

PREMIUM SCHEDULE:

- The Contractor shall pay the Grower a premium of \$0.45 per 50 lb. unit of cleaned seed produced by the Contractor over the price set under "Pricing and Payment", below. The Grower shall be paid the base price on all bushels delivered following the Contractor's normal quality standards in force at the time of delivery. No premiums will be paid until final germination and purity results are obtained by the Contractor.
- A premium of \$0.30 per Bu. will be paid for all soybeans raised under this agreement which qualify for seed but are not used for seed. This does not apply to rejected soybeans. Unused seed must be delivered to a Crestland Cooperative grain location by June 28, 2000 and noted as unused seed production in order to earn a premium. Freight will not be paid on unused seed.
- In no event will a premium or freight charges be paid on any rejected seed.

PRICING AND PAYMENT:

The grower has the right to price the grain, basis Crestland Coop, Creston, IA, at any time between the date of signing this contract and June 28, 2000 by contacting Crestland's Creston location (515)782-8411. This cannot be a past date. Notice must be given that the contract is for seed beans. The Grower is responsible for proper notice to the Contractor in establishing a selling date. A 90% advance can be given on undelivered, contracted grain. Advances will be written for the base price and only in the month for which the contract is written. Premiums will be paid only on final settlement. Contracts will be written in increments of 100 bushels or more.

CRESTLAND COOPERATIVE CO.

GROWER

Title _____

Date _____

07/15/99